0002

FORM MR-AR (Revised 1/2007)

## STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291

elephone: (801) 538-529 Fax: (801) 359-3940 RECEIVED
FEB 0 1 2007
DIV. OF OIL, GAS & MINING

## SMALL MINING OPERATIONS 2006 PROGRESS REPORT January 1, 2006 to December 31, 2006

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

| 1.                       | Mine Permit Number: 5230018   |
|--------------------------|---|
| 2.                       | Mine Name: Red Dog, Wild Horse Spring   |
| 3.                       | Mine Name: Red Dog, Wild Horse Spring  Name of Operator/Permittee: Gemstone Muc.  Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention. |
| 4.                       | Mine Location: Thomas Range   |
| 5.                       | Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material:   |
|                          | Gross Ore Mined Tons, or yd³ Waste Material Moved Tons, or yd³ New Disturbance Acres during 2006 Area Reclaimed Acres during 2006 Total Disturbed Area Acres* Was the ore shipped off site? If not, where is the ore located? No  |
|                          | *Total life of mine disturbance to the end of 2006.   |
| 6.                       | Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).                       |
| I here                   | by certify, under penalties of law, the information provided in this report is true and   |
|                          | best of my knowledge and belief.  |
|                          | Name (Typed or Print): Dominique Merz  Title of Operator: Secretary of BMI  Signature of Operator: S. Merz  |
|                          | Title of Operator: Secretary of BMI   |
|                          | Signature of Operator: X. Mez   |
|                          | Date: 1/27/2007   |
| pb<br>o:\forms\reports\M | R-AR  |